

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of:)	
)	
Truth-in-Billing and)	CC Docket No. 04-208
Billing Format)	
)	
National Association of State Utility)	
Consumer Advocates' Petition for)	
Declaratory Ruling Regarding Monthly)	
Line Items and Surcharges Imposed)	
By Telecommunications Carriers)	

COMMENTS OF LEAP WIRELESS INTERNATIONAL, INC.

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COMMENTS OF LEAP WIRELESS INTERNATIONAL, INC.

Leap Wireless International, Inc. and its subsidiary Cricket Communications, Inc. (collectively, "Leap") submit these Comments in response to the National Association of State Utility Consumer Advocates' ("NASUCA") Petition for Declaratory Ruling (the "Petition") regarding the ability of telecommunications carriers to impose monthly line-item charges. Leap opposes NASUCA's request that the Commission regulate not only the form but the content and substance of a carrier's charges to its customers. NASUCA's pro-regulatory proposal is a step in the wrong direction, and as such it should be denied.

I. INTRODUCTION AND SUMMARY

Leap is well known to the Commission as a pioneering wireless telecommunications service provider and the 10th largest wireless carrier in the United States.¹ Leap offers its Cricket Comfortable Wireless service in 39 markets across 20 states to

¹ Based on number of customers.

approximately 1.5M subscribers. Leap's innovative Cricket service model allows customers to make unlimited local calls, and to receive calls from anywhere in the world, for one flat rate. With its efforts to streamline operation and distribution systems, Leap is now one of the lowest-cost providers of wireless services in each of its markets.

Leap's innovative Cricket strategy is designed not only to compete with other CMRS carriers, but also to compete with and replace traditional landline service. Many Cricket subscribers use their wireless service as a total or partial landline replacement, and the average Cricket customer uses approximately 1,400 minutes per month. Leap's flat rate, all-you-can-talk service provides the certainty and predictability that consumers need in order to use wireless telephones as they would a landline. In fact, 43 percent of Leap's customers do not subscribe to wireline service and have completely "cut the cord," with 88 percent of such customers using their Cricket service as their primary phone. Likewise, Leap's all digital network provides the intensive and high quality coverage that consumers would expect from a landline replacement. Leap's unlimited local services are carried over 100 percent digital, Code Division Multiple Access ("CDMA") networks that provide higher capacity and more efficient deployment of capital than competing technologies.

Because the rate and billing structure offered by Cricket is such an integral part of the service model, Leap may be uniquely interested in this proceeding, and in NASUCA's proposal to regulate the content of carrier charges, and/or to prohibit some charges altogether. By asking the government to unnecessarily regulate wireless carrier rates, NASUCA's proposal ignores the FCC's carefully considered conclusions that such regulation would be unnecessary and counterproductive in this sector of telecommunications. And, NASUCA's request that the federal government impose one-size-fits-all regulation on all carriers, no matter their cost

structure, service model or billing practices, shuns the complex reality of today's telecommunications market. NASUCA seems to ignore the inherent variety of services offerings and service providers in the telecommunications marketplace. This variety is something that consumers not only understand, but which they highly value.

Perhaps more importantly, NASUCA fails to acknowledge the affirmative benefits conferred by the line-item charges that it reflexively decries. In practice, carriers have little or no control over the regulatory burdens and costs they face. These costs may be both difficult to predict, and geographically variable: it would be unfair to force consumers in one state to pay for and subsidize burdens imposed by the government of another state, as would happen if carriers were required to absorb all such costs in their base rates. Likewise, carriers must be allowed in their private contracts with customers to lock in a base rate for a period of time, but to pass through potentially variable charges to offset potentially variable regulatory costs.

Finally, NASUCA fails to show how its proposed blanket restriction on commercial speech would pass constitutional muster, especially when these line-item fees provide an effective means by which carriers inform citizen-consumers of the cost of the government-imposed burdens that the carriers face. Nor does NASUCA explain why regulation in this context is preferable to its alternatives.

Leap believes that the Commission has already struck the appropriate balance with respect to line-item charges, including those that offset the cost of regulatory impositions. While Leap actively supports NASUCA's objective – giving accurate information to consumers regarding their telecommunications bills – Leap sees NASUCA's proposal as ill-conceived and a step in the wrong direction.

II. NASUCA’S PROPOSAL IS UNWARRANTED

NASUCA asks that carriers be “prohibited from imposing line items,” unless these charges “closely match the carriers’ costs” and the underlying expenses are “expressly mandated” by the government.² By thus advocating that the FCC permit only cost-based charges and that it permit recovery only for “mandated” or “necessary” expenses, NASUCA’s proposal must be seen for what it is: a petition to impose federal rate regulation on CMRS carriers. This radical proposal is wholly unnecessary and expressly contradicts the Commission’s prior conclusions on this precise issue.

It is a truism – and a widely recognized economic fact – that rate regulation decreases market efficiency in markets that are already competitive.³ NASUCA itself characterizes the telecommunications market as already competitive.⁴ Moreover, the Commission, in fulfillment of its statutory mandates, has intervened as much as necessary in the wireless telecommunication’s marketplace to ensure consumer protection and the dissemination of information to keep the market efficient. Further intervention would necessarily decrease efficiency, and NASUCA fails to demonstrate that any appreciable gain to consumers would follow.

In the TIB Order, the Commission required carriers “to identify line item charges associated with federal regulatory action through a standard industry-wide label and provide full, clear and non-misleading descriptions of the nature of the charges, and display a toll-free number

² Petition at vii.

³ See W. KIP VISCUSI ET AL., *ECONOMICS OF REGULATION AND ANTITRUST*, 75 (3rd ed., The MIT Press 2000) (1992).

⁴ Petition at 60.

associated with the charge for customer inquiries.”⁵ The Commission specifically allowed carriers to include line-item charges, including charges for regulatory impositions, subject only to those caveats. The Commission concluded that “consumer and market forces” would guide carriers on the presentation of such charges, as long as its basic prescriptions of labeling and toll-free numbers were met.⁶ And it expressly “declin[ed] the recommendations of those that would urge us to limit the manner in which carriers recover these costs of doing business.”⁷

These conclusions were, and remain, valid. The FCC’s prescriptions ensure that consumers receive sufficient information to appropriately choose their service providers. Meanwhile, in a competitive market, those carriers that include ambiguous or excessive line-item charges will lose customers to those carriers who provide accurate details and who minimize the amounts of such items. These facts put pressure on carriers that will guide all carriers, as they have guided Leap, to the most effective presentation of their line-item costs. Of course, competitive forces may take time to produce the optimal result, a fact that counsels for patience rather than for reflexive regulation.

III. LINE-ITEM CHARGES ASSOCIATED WITH REGULATORY ACTION PLAY AN IMPORTANT ROLE IN THE TELECOMMUNICATIONS MARKET

Line-item charges allow service providers to offer base rates that are consistent across larger geographic areas and that span longer time periods than would otherwise be possible. This in turn allows carriers better to take advantage of economies of scale and scope to hold down costs and ultimately to offer lower, and certainly more consistent, rates.

⁵ In the Matter of Truth-in-Billing and Billing Format [Corrected Version], First Report and Order and Further Notice of Proposed Rulemaking, 14 FCC Rcd. 7492 at 7522-7523 (¶ 50) (rel. May 11, 1999).

⁶ *Id.* at ¶ 56.

⁷ *Id.* at ¶ 50.

A. NASUCA's Proposed Rule Threatens Leap's Well-Defined and Proper Line-Item Charges

The simplicity and predictability of the Cricket rate and service structure are hallmarks (and competitive advantages) of that service. Cricket billing statements conform to FCC principles, guidelines, and specifications as set out in the TIB Order and elsewhere, and various examples of Cricket bills are appended hereto as Exhibit A. These billing statements include the service's base rate and a variety of separate line-item charges, some of which vary considerably by locality. These charges include a Paper Billing Fee, a Regulatory Recovery Fee, and jurisdiction-specific fees and taxes.

Leap's Paper Billing Fee, as the name would suggest, is simply a contractual fee for a specific service. For those customers who prefer to receive a traditional paper bill, Leap offers that service for an additional charge of \$0.55 per month. Customers choosing to go "paperless" receive a text message informing them of the amount of their bill, its due date and that they may go on-line at no charge to view and print out their bill should they choose to do so. By expressly delineating the Paper Billing Fee, Leap reminds customers of their ability to select "paperless" billing and thereby lower their overall rates. Plainly, the government should not step between carrier and customer to regulate or prohibit this type of fee for service.

Leap also imposes a Regulatory Recovery Fee of \$0.45 per month to recover the costs imposed by certain regulatory requirements, including number pooling and local number portability. Leap computed this figure based on an initial estimate of its one-time capital cost for these items with a fixed amortization term and a cost of money based on its existing debt obligations. It allocated these capital costs, as well as its ongoing monthly expenses, across its subscriber base of approximately 1.5 million, and factored in its gross disconnect rate in order to arrive at an actual cost substantially in excess of \$0.45 per subscriber per month. For various

business and competitive reasons, Leap decided to limit its recovery for these costs to \$0.45 per month. There is no question that Leap's regulatory fee is based upon – and indeed it is substantially less than – the actual costs it has incurred to comply with various regulatory mandates.

To provide customers with further information regarding the Regulatory Recovery Fee, Leap includes both a toll-free number for further inquiries on customer billing statements as well as a statement on its website indicating that this fee is not a tax or charge required by the government. The fee is described as a cost recovery item for number pooling and local number portability.⁸

Finally, Leap imposes line-item charges to offset the smorgasbord of taxes and fees to which it is subject in various jurisdictions. For example, Leap's Memphis market, while focused only on a single metropolitan area (Memphis), includes three states (Arkansas, Mississippi, and Tennessee) and a variety of municipalities within each state. Overall, Leap provides service within hundreds of different state, county, and city jurisdictions. Each of these jurisdictions imposes a different set of fees and taxes. Each imposition ranges from a few cents to a few dollars; the total amounts for such fees range from roughly six percent in some jurisdictions to more than 25 percent in others. Leap typically passes these charges through to its customers, and separates these costs into distinct line-items that may vary widely across political boundaries.

Leap's bills, and the line-item charges that they include, are valid. They are clearly and properly labeled in accordance with federal standards, and they are consistent with – and are in large part driven and constrained by – the need for Leap to retain its competitive

⁸ See http://www.mycricket.com/cust_svc_billing.aspx (accessed Jul. 10, 2004).

position as the low-cost provider of “simple” and “comfortable” wireless service. And yet, despite the inherent competitive constraints on such charges, NASUCA’s proposal would further (and artificially) constrain Leap’s ability to use these line-item breakouts.

Under NASUCA’s proposal, Leap (and indeed all wireless carriers) would be left wondering which of these thousands of fees and taxes are “expressly mandated by the Commission or by state or local government,”⁹ such that NASUCA would permit them to be recovered in line-item breakouts. The Commission should decline NASUCA’s invitation to referee the types of charges that may be recovered by carriers – and whether or not a cost is “mandated” and thus recoverable – and it should decline to regulate the manner in which carriers can recover those costs.

B. Geographic Variations In Taxes And Fees Force Carriers To Separate These Costs Into Separate Line-Items

The reality is that carriers must pay substantial amounts in order to comply with various regulatory burdens, and/or pay various federal, state, or local fees. Telecommunications carriers have essentially three options with respect to these impositions: (1) average them across larger geographic regions and incorporate them into base rates; (2) create individual rate packages for each sub-region; or, (3) exclude them from base rates and include them as separate (and variable) line-item charges. The first two options create significant problems that make the third option the most logical choice.

The first option, averaging such fees, unfairly shifts the burden of regulatory costs from one region to another. For instance, consider the Memphis metropolitan area, which spans

⁹ Petition at 65-66.

Arkansas, Mississippi, and Tennessee.¹⁰ In West Memphis, Arkansas, the jurisdictional fees total 16.2 percent, but in Horn Lake, Mississippi, the jurisdictional fees total 13.5 percent. A customer with a \$50 phone bill would pay \$1.35 more in fees in West Memphis, Arkansas than would a customer with a \$50 phone bill in Horn Lake, Mississippi. However, averaging costs across these two regions would allow Arkansas residents to shift \$0.68 of their voter-approved costs to Mississippi residents. This is not a fair (or democratically viable) result: residents of a political jurisdiction should bear the burden of their own impositions. But, the first option would allow certain jurisdictions to improperly shift their regulatory charges to consumers residing in other jurisdictions.

The second option, having sub-regional rate plans, creates administrative and logistical burdens that preclude service providers from taking advantage of mass marketing techniques. Returning to the Memphis example, either Leap would have to separately advertise different rates in West Memphis, Arkansas and Horn Lake, Mississippi or it would have to advertise both rates simultaneously. The first alternative, advertising the rates separately, is nearly impossible when every political subdivision within a metropolitan area receives the same advertising media (*e.g.* radio, newsprint, or broadcast television). The second alternative, advertising the two different rates together, would cause customer confusion and false expectations regarding the rates that customers would receive. As a practical matter then, it would be untenable to attempt to incorporate each locality's fees into a carrier's base rates.

¹⁰ See <http://www.ohwy.com/us/z/z4920.htm> (accessed Jul. 10, 2004) (stating that the U.S. Census defines the Memphis metropolitan area to include Marion, AR, West Memphis, AR, Hernando, MS, Horn Lake, MS, Lake Cormorant, MS, Nesbit, MS, Olive Branch, MS, Southaven, MS, Bartlett, TN, Collierville, TN, Cordova, TN, Covington, TN, Grand Junction, TN, Memphis, TN, Millington, TN, Moscow, TN, Rossville, TN, and Somerville, TN). See also, <https://www.mycricket.com/Zip.aspx?ptype=1> (accessed Jul. 10, 2004) (providing information for potential Cricket subscribers by zip code).

Carriers are left with the only remaining option: putting regulatory fees in separate line-items and advertising a geographically consistent base rate.

C. Line-Item Charges Are Important For Maintaining The Service Plan Structures That Subscribers Prefer And Carriers Need

Typically, subscribers and their service providers enter into long term contracts for service at fixed rates (although Cricket does not require customers to enter into any long-term contracts). This structure is a consequence of market forces. Consumers prefer stable prices and service providers can offer lower rates when they have greater certainty of incoming receivables. However, most of those service contracts include a potentially variable element to account for potential variation in the government-imposed costs and burdens that carriers may face. By segregating regulatory fees into separate line-items, service providers can thus account for the variation in government impositions over the life of their customer contracts.

Thus, for example, when Leap incurred the significant costs necessary to come into compliance with the Commission's number pooling and porting and other regulatory requirements, after notice to customers it imposed its current \$0.45 regulatory recovery fee. If the Commission or another government unit at some point imposes additional burdens and fees, Leap could consider changing that fee in order to offset those costs as well. By enabling carriers to respond to shifting (and potentially unpredictable) costs, these line-item charges and descriptions enable carriers to more effectively meet market demand in a fashion that is also transparent to the consumer.

IV. NASUCA IGNORES THE INHERENT VARIATION AMONG CARRIERS AND OFFERINGS

NASUCA boldly predicts that the elimination of line-item charges from wireless bills will somehow commoditize the CMRS industry: Customers, NASUCA claims, will make "apples-to-apples" comparisons," and will then only have to "shop among carriers for the

lowest rates.”¹¹ By touting the elimination of line-item fees as a panacea for customers, NASUCA simply ignores the ways that carriers differentiate themselves in the telecommunications marketplace.

Telecommunications carriers compete for subscribers on many levels. They offer vastly different services with different coverage footprints, different features and service bundles (e.g., local telecommunications versus bundled local and long distance coverage), varying signal quality, different technologies, and varying levels of customer service. Regardless of the Commission’s rules regarding billing format and advertised rates, the end products will always be different. Consumers not only understand these differences, they value choice. Consumers have individualized needs and they prefer having a variety of options rather than a one-size-fits-all product.

In its Petition, NASUCA assails the difference among various carriers’ regulatory fees, implying that this variation somehow indicates that the fees are illegitimate.¹² But given the variety of service offerings and related infrastructure, line-item fees *should* vary. Many carriers employ network infrastructures that may be costlier, or less costly, than that of their rivals. And carriers amortize and account for their costs in different ways, such that line-item charges based on those costs should also be different. Indeed, some carriers may have different cost bases among the different markets that they serve. The Commission has a firm grasp on this fact. In the TIB Order, it assumed, “regulatory-related charges have different origins, and are applied to different service and provider offerings.”¹³ The Commission has therefore recognized, and should not now ignore the fact, that the variations of which NASUCA complains are

¹¹ Petition at 66.

¹² *See Id.* at 17-24.

¹³ TIB Order at ¶ 56.

appropriate, and indeed inevitable.

V. FURTHER RESTRICTIONS ON BILLING FORMAT AND CONTENT WOULD INFRINGE CARRIERS' COMMERCIAL FREE SPEECH RIGHTS

NASUCA's request that the FCC prohibit the imposition of "any line-item surcharges"¹⁴ other than those specifically sanctioned by the government, ignores carriers' First Amendment rights to communicate with their customers. The line-item fees that NASUCA decries are, in fact, a particularly important form of speech. These fees, both by the fact of their imposition and by their labeling, allow carriers to call out and draw attention to the types of costs they face. Leap's Paper Billing Fee, for example, allows consumers to understand and internalize the true cost of paper billing, and therefore to make an appropriate economic decision as to whether a paper bill is worth the extra cost. Likewise, and far more importantly for First Amendment purposes, Leap's Regulatory Fee allows consumers to gain some understanding of the various burdens imposed on wireless carriers by government regulation. And these citizen-consumers may, to the extent that they perceive those burdens to be justified or unjustified, act accordingly within the democratic system.

Commercial speech that concerns lawful activity and is not misleading receives a certain degree of Constitutional protection. To validly regulate commercial speech under the First Amendment, the Commission must show (1) that its interest is substantial, (2) that the regulation directly advances the government interest, and (3) the regulation is narrowly tailored to serve the government's interest.¹⁵ In placing taxes and fees associated with regulatory action in separate line-items (or notifying customers of other charges through descriptive breakouts), carriers are exercising their commercial free speech rights. This billing format is the most

¹⁴ Petition at 62.

¹⁵ *Central Hudson Gas & Electric Corp. v. Public Service Commission*, 447 U.S. 557, 563-564 (1980).

effective means for carriers to inform their subscribers of government impositions, whether expressly or implicitly mandated. Subscribers can use this information to make better decisions regarding their local, state, and federal government policy.

The Commission has acknowledged this aspect of billing format and content. In the TIB Order, the FCC carefully analyzed the commercial speech implications of its regulations regarding line-item charges for regulatory action, including an application of the three-part commercial free speech test.¹⁶ Of particular importance are the Commission's conclusions as to whether its regulations were narrowly tailored. It stated, "[w]e emphasize that we have not mandated or limited specific language that carriers utilize to describe the nature and purpose of these charges; each carrier may develop its own language to describe these charges in detail."¹⁷ In this way, the Commission ensured that its "labeling regulations will be narrowly drawn to be no more extensive than necessary to serve the government's interest."¹⁸

As the Commission recognized in the TIB Order, a rule such as the one NASUCA proposes would prohibit carriers from effectively communicating with their customers as to the nature and extent of the regulatory burdens that the carriers face, and would preclude more speech than necessary to serve the government's interest. By stifling this form of commercial speech, NASUCA's proposed rule would run afoul of the U.S. Constitution.

VI. NASUCA COULD MORE EFFECTIVELY ACHIEVE ITS STATED OBJECTIVE THROUGH LESS DISRUPTIVE MEANS

The aforementioned problems with NASUCA's proposal indicate that there are less disruptive, and potentially more effective, means of achieving its goals. For instance,

¹⁶ TIB Order at ¶¶ 61-65.

¹⁷ *Id.* at ¶ 61.

¹⁸ *Id.* at ¶ 64.

NASUCA could work with industry to achieve voluntary standardized labeling, a process in which Leap would actively participate. Alternatively, NASUCA could advocate the elimination of unnecessary governmental impositions. Finally, if NASUCA believes that some carriers are abusing line-item charges to make undue profits, NASUCA could assist its constituents to assert their rights under the Communications Act and it could bring actions for unjust and unreasonable charges. Such actions would create a deterrent effect to diminish or eliminate any potential mischaracterization of charges. Any of these options would provide a better solution than NASUCA's extreme proposal of eliminating all but government-approved line-item charges.

VII. THE FCC'S RULES PREEMPT FURTHER STATE REQUIREMENTS REGARDING BILLING FORMAT AND CONTENT

On one point, Leap emphatically agrees with NASUCA: this issue is properly the FCC's to address. The FCC's authority over carrier rates and practices, and its rules implementing this authority, preempt state authority to impose further regulations regarding line-item charges for regulatory impositions, or any other rate or billing practices by carriers. The Supreme Court has set forth the general preemption standard: "Pre-emption may be either express or implied, and 'is compelled whether Congress' command is explicitly stated in the statute's language or implicitly contained in its structure and purpose.' ..."¹⁹

In accordance with this standard, the Commission has express statutory authority under Sections 201(b) and 205(a) of the Communications Act to regulate billing format and content. Section 201(b) mandates that the Commission ensure "[a]ll charges, practices, classifications, and regulations for and in connection with such communication service, shall be

¹⁹ *Fidelity Federal Savings and Loan Association v. de la Cuesta*, 458 U.S. 141, 152-153 (1982) (citations omitted).

just and reasonable....”²⁰ This statutory authority is echoed in section 205(a), “the Commission is authorized and empowered to determine and prescribe what will be a just and reasonable charge...and what classification, regulation, or practice is or will be just, fair, and reasonable....”²¹ Whether carriers can include separate line-items on their billing statements associated with regulatory action is a “practice, classification, or regulation” under the Commission’s express authority.

Both the Commission and NASUCA have noted these provisions. In the TIB Order, the Commission wrote, “Charges resulting from federal regulatory action are ‘charges, practices [or] classifications...for and in connection with’ interstate communication service pursuant to section 201(b), and accordingly, *we possess jurisdiction to require carriers to employ standardized labels for such charges.*”²² NASUCA also emphasized this authority in its Petition: “Thus, the Commission is clearly authorized – *indeed it is obligated* – to consider the practices complained of by NASUCA herein.”²³

Sections 201(b) and 205(a) of the Communications Act give the FCC express preemptive authority over state regulatory agencies with respect to prescribing billing format and content, including line-item charges. Likewise, Section 332(c)(3)(A) mandates that, “no State or local government shall have any authority to regulate . . . the rates charged by any commercial mobile service”²⁴ Thus, the Communications Act expressly vests preemptive authority over rates in the Commission, and the Commission has exercised that authority with respect to the

²⁰ 47 U.S.C. § 201(b).

²¹ 47 U.S.C. § 205(a).

²² TIB Order at ¶ 49 (emphasis added).

²³ Petition at 6 (emphasis added).

²⁴ 47 U.S.C. § 332(c)(3)(A).

regulation of line-item charges. As such, the Commission's rules preempt state authority on this issue.²⁵

VIII. CONCLUSION

While Leap supports NASUCA's goal of giving consumers better information regarding their telecommunications bills, NASUCA's proposal is misplaced. It ignores the crucial role line-item charges play in regularizing wireless billing rates and allocating costs to the residents of jurisdictions that impose them. It is based on poor assumptions about the telecommunications market. It would inhibit speech and would give consumer's less access to potentially useful information. Therefore, Leap respectfully requests that the Commission deny NASUCA's Petition.

Respectfully submitted,

**LEAP WIRELESS INTERNATIONAL, INC. AND
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²⁵ While the TIB Order saved from preemption "enforcement of *consistent* truth-in-billing requirements by the states," 47 C.F.R. § 64.2400(c) (emphasis added), regulations of the sort that NASUCA proposed would by its terms be inconsistent with the FCC's explicit decision to decline any regulation of line-item charges.

EXHIBIT A



Account Number:

Billed Last Month	You Paid	Credits	Fees	Current Charges	AMOUNT DUE
98.65	-66.31	- 15.00	15.55	51.31	\$ 84.20
					BY JUN 30

Our free automated system lets you pay your bill, check your balance, & more.
Dial 1-800-CRICKET for our automated system or for questions about your bill.

We have not received payment for your last
invoice. Please pay the amount due immediately
to avoid termination of service.

www.cricketcommunications.com

Please detach and enclose with your payment.

cricket
Comfortable Wireless®
P.O. BOX 660017
DALLAS, TX 75266-0017

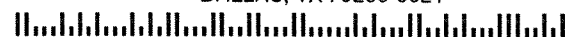


My address has changed.
(Please fill out reverse side)

Account Number

AMOUNT DUE	AMOUNT PAID
\$ 84.20	\$ _____
BY JUN 30	

CRICKET
P.O. BOX 660021
DALLAS, TX 75266-0021



ACCOUNT SUMMARY

*

Billed Last Month..... 98.65**Payment Detail**

05/03/04	-51.31
06/01/04	-15.00

You Paid Through 06/01/04..... -66.31

REINSTATEMENT CREDIT..... -15.00

Credits..... -15.00**Balance Forward..... 17.34**

REINSTATEMENT FEE..... 15.00

PAPER BILL FEE..... 0.55

Fees..... 15.55

Monthly Charges..... 45.44

FEDERAL EXCISE TAX..... 1.36

AR STATE TAX..... 2.73

PULASKI COUNTY TAX..... 0.45

LITTLE ROCK CITY TAX..... 0.22

AR WIRELESS 911 SURC..... 0.50

AR UNIVERSAL SERVICE..... 0.43

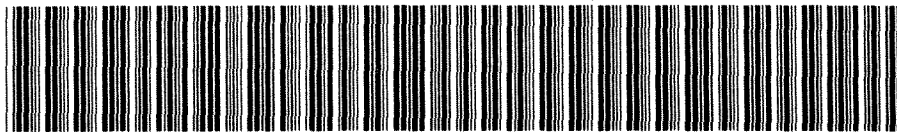
FEDERAL USF FEE..... 0.16

FED REGULATORY FEE..... 0.02

Current Charges..... 51.31**AMOUNT DUE BY 06/30/04..... 84.20****Account Detail For**

MONTHLY SERVICE 06/01-06/30 CRICKET +2..... 44.99

MONTHLY CHARGE 06/01-06/30 REGULATORY RECOVERY... 0.45

Monthly Charges..... 45.44**Change My Address To:**

Name: _____

Address: _____

_____ # _____

City: _____ State: _____ Zip: _____

By using Cricket's 1-800-CRICKET customer service line to pay this bill or other amount to Cricket, you authorize Cricket to initiate a debit entry to your bank account in the amount that you or your representative designate during the call. The debit will occur on or after 2 banking days from the authorization call. Your authorization may be revoked by providing prior written notification to Cricket that allows Cricket a reasonable opportunity to act on it.



No. de Cuenta:

Factura Anterior	Su Pago Gracias	Crédito	Cargos adicionales	Cargos actuales	Favor De Pagar
52.90	- 52.89	0.00	0.55	143.42	\$ 143.98
					Antes Del JUN 22

Los impuestos y los honorarios ahora se basan en su zona postal.
A consecuencia, usted pudiera notar un aumento o reducción en estos cargos.

No hemos recibido el pago de tu último estado de
cuenta. Favor de pagar el adeudo inmediatamente
para evitar la suspensión de servicio

www.cricketcommunications.com

Por favor, despegue esta sección y mándela con su pago.

cricket
Comfortable Wireless®
P.O. BOX 660017
DALLAS, TX 75266-0017



Si su dirección ha cambiado,
por favor indíquelo al reverso

No. de Cuenta

Favor De Pagar
\$ 143.98
Antes Del JUN 22

Cantidad Recibida

\$

CRICKET
P.O. BOX 660021
DALLAS, TX 75266-0021

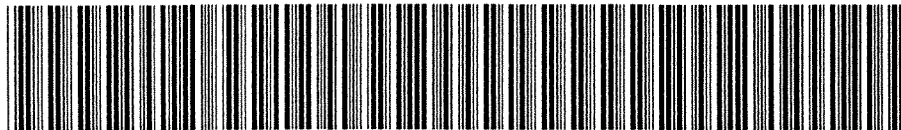


FACTURA

Factura Anterior.....	52.90
Resumen de pagos	
05/22/04	-52.89
 Período pagado hasta 05/23/04.....	 -52.89
 Crédito.....	 0.00
 Saldo a favor.....	 0.01
 PAPER BILL FEE.....	 0.55
 Cargos adicionales.....	 0.55
 Cargos mensuales.....	 143.42
 Cargos actuales.....	 143.42
 FAVOR DE PAGAR ANTES DEL 06/22/04.....	 143.98

Detalle de líneas por usuario

.....	25.00
PRORATE FROM 05/19/04-->06/22/04.....	6.06
MONTHLY SERVICE 05/23-06/22 CRICKET +2.....	44.99
MONTHLY CHARGE 05/23-06/22 REGULATORY RECOVERY...	0.45
MONTHLY CHARGE 05/23-06/22 REPLACEMENT PLAN.....	3.95
AZ TRANSACTION PRIVI.....	4.29
MARICOPA CO TRANSACT.....	0.53
PHOENIX CI TRANSACTI.....	3.59
FEDERAL USF FEE.....	0.27
FEDERAL EXCISE TAX.....	1.54
AZ 911-TELECOM SVC E.....	0.37
AZ UNIVERSAL SERVICE.....	0.01
FED REGULATORY FEE.....	0.02
Cargos mensuales.....	91.07
 Total Phone Detail.....	 91.07

**Cambie Mi Dirección A:**

Nombre: _____

Dirección: _____

#

Ciudad: _____

Estado: _____

Codigo: _____

By using Cricket's 1-800-CRICKET customer service line to pay this bill or other amount to Cricket, you authorize Cricket to initiate a debit entry to your bank account in the amount that you or your representative designate during the call. The debit will occur on or after 2 banking days from the authorization call. Your authorization may be revoked by providing prior written notification to Cricket that allows Cricket a reasonable opportunity to act on it.

No. de Cuenta:

Continuado de la página previa.

Detalle de líneas por usuario

MONTHLY SERVICE 05/23-06/22 CRICKET +2.....	44.99
MONTHLY CHARGE 05/23-06/22 REGULATORY RECOVERY...	0.45
FEDERAL EXCISE TAX.....	1.36
AZ TRANSACTION PRIVI.....	2.55
MARICOPA CO TRANSACT.....	0.31
PHOENIX CI TRANSACTI.....	2.13
AZ 911-TELECOM SVC E.....	0.37
AZ UNIVERSAL SERVICE.....	0.01
FEDERAL USF FEE.....	0.16
FED REGULATORY FEE.....	0.02
Cargos mensuales.....	52.35

Total Phone Detail.....	52.35
--------------------------------	--------------



Account Number:

Billed Last Month	You Paid	Credits	Fees	Current Charges	AMOUNT DUE
102.75	-54.28	0.00	15.55	47.92	\$ 111.94
					BY JUN 20

Our free automated system lets you pay your bill, check your balance, & more.
Dial 1-800-CRICKET for our automated system or for questions about your bill.

We have not received payment for your last
invoice. Please pay the amount due immediately
to avoid termination of service.

www.cricketcommunications.com

Please detach and enclose with your payment.

cricket
Comfortable Wireless®
P.O. BOX 660017
DALLAS, TX 75266-0017

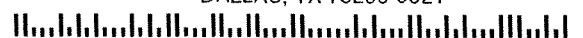


My address has changed.
(Please fill out reverse side)

Account Number

AMOUNT DUE	AMOUNT PAID
\$ 111.94	\$ _____
BY JUN 20	

CRICKET
P.O. BOX 660021
DALLAS, TX 75266-0021



ACCOUNT SUMMARY

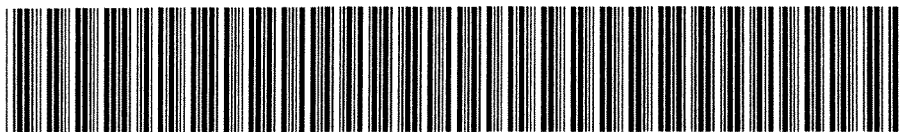
*

Billed Last Month	102.75
Payment Detail	
04/24/04	-54.28
You Paid Through 05/21/04	-54.28
Credits	0.00
Balance Forward	48.47
REINSTATEMENT FEE	15.00
PAPER BILL FEE	0.55
Fees	15.55
Monthly Charges	47.92
Current Charges	47.92
AMOUNT DUE BY 06/20/04	111.94

Account Detail For

MONTHLY SERVICE 05/21-06/20	CRICKET TALK SERVICE.	39.99
MONTHLY CHARGE 05/21-06/20	REGULATORY RECOVERY...	0.45
MONTHLY CHARGE 05/21-06/20	VOICE MAIL	3.99
FEDERAL EXCISE TAX		1.33
CA EMECY TEL. USERS		0.32
CA TELCOM RELAY SYS		0.13
CA HIGH COST FUND(B)		0.98
CA HIGH COST FUND(A)		0.08
CA UNIVRSL LIFELINE		0.49
FEDERAL USF FEE		0.14
FED REGULATORY FEE		0.02
Monthly Charges		47.92

Total Phone Detail..... **47.92**

**Change My Address To:**

Name: _____

Address: _____

_____ # _____

City: _____ **State:** _____ **Zip:** _____

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No. de Cuenta:

Factura Anterior	Su Pago Gracias	Crédito	Cargos adicionales	Cargos actuales	Favor De Pagar
0.00	0.00	0.00	0.55	84.61	\$ 85.16
					Antes Del JUN 19

Los impuestos y los honorarios ahora se basan en su zona postal.
A consecuencia, usted podría notar un aumento o reducción en estos cargos.

Con MENSAJES DE TEXTO ILIMITADOS de Cricket,
envía y recibe todos los mensajes que quieras
dentro de tu área de cobertura Cricket por una
tarifa fija de tan sólo \$4.99 al mes. Puedes
enviar mensajes a los suscriptores de Cricket
y los usuarios de otros servicios móvil.

www.cricketcommunications.com

Por favor, despegue esta sección y mándela con su pago.

cricket
Comfortable Wireless®
P.O. BOX 660017
DALLAS, TX 75266-0017



Si su dirección ha cambiado,
por favor indíquelo al reverso

No. de Cuenta

Favor De Pagar	Cantidad Recibida
\$ 85.16	\$ _____
Antes Del JUN 19	

CRICKET
P.O. BOX 660021
DALLAS, TX 75266-0021



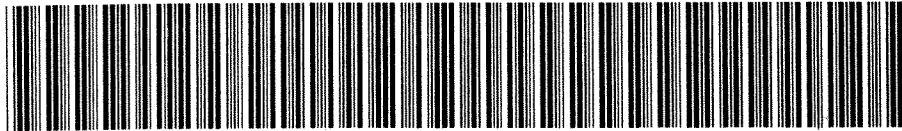
FACTURA

*

Factura Anterior.....	0.00
Período pagado hasta 05/20/04.....	0.00
Crédito.....	0.00
PAPER BILL FEE.....	0.55
Cargos adicionales.....	0.55
Cargos mensuales.....	75.91
FEDERAL EXCISE TAX.....	1.41
CO STATE TAX.....	2.08
DENVER (RTD/CD/FD) S.....	0.57
DENVER CITY TAX.....	2.52
CO UNIVERSAL SERVICE.....	1.44
DENVER 911 SURCHARGE.....	0.40
FEDERAL USF FEE.....	0.26
FED REGULATORY FEE.....	0.02
Cargos actuales.....	84.61
FAVOR DE PAGAR ANTES DEL 06/19/04.....	85.16

Detalle de líneas por usuario

.....	25.00
PRORATE FROM 05/19/04-->06/19/04.....	1.52
MONTHLY SERVICE 05/20-06/19 CRICKET +2.....	44.99
MONTHLY CHARGE 05/20-06/19 REGULATORY RECOVERY...	0.45
MONTHLY CHARGE 05/20-06/19 REPLACEMENT PLAN.....	3.95
Cargos mensuales.....	75.91

**Cambie Mi Dirección A:**

Nombre: _____

Dirección: _____

#

Ciudad: _____

Estado: _____

Codigo: _____

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Account Number:

Billed Last Month	You Paid	Credits	Fees	Current Charges	AMOUNT DUE
76.95	-76.00	-15.00	15.55	59.20	\$ 60.70
					BY JUN 26

Our free automated system lets you pay your bill, check your balance, & more.
Dial 1-800-CRICKET for our automated system or for questions about your bill.

With Cricket UNLIMITED TEXT MESSAGING, send and receive all the messages you want from within your Cricket service area, for one flat rate of just \$4.99 / mo. And you can message with both Cricket subscribers and most other wireless users. See your Cricket sales rep for details.

www.cricketcommunications.com

Please detach and enclose with your payment.

cricket
Comfortable Wireless®
P.O. BOX 660017
DALLAS, TX 75266-0017

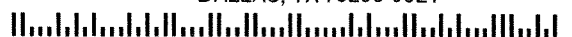


My address has changed.
(Please fill out reverse side)

Account Number

AMOUNT DUE	AMOUNT PAID
\$ 60.70	\$ _____
BY JUN 26	

CRICKET
P.O. BOX 660021
DALLAS, TX 75266-0021



ACCOUNT SUMMARY**Billed Last Month..... 76.95**

Payment Detail

05/26/04 -76.00

You Paid Through 05/27/04..... -76.00

REINSTATEMENT CREDIT..... -15.00

Credits..... -15.00**Balance Forward..... -14.05**

REINSTATEMENT FEE..... 15.00

PAPER BILL FEE..... 0.55

Fees..... 15.55

Monthly Charges..... 48.38

FEDERAL EXCISE TAX..... 1.33

NE STATE TAX..... 2.44

OMAHA CITY TAX..... 0.67

ENHANCED WIRELESS 911..... 0.50

NE DUAL-PARTY RELAY..... 0.07

NE UNIVERSAL SERVICE..... 3.09

FEDERAL USF FEE..... 0.14

OMAHA LOC BUSINESS&O..... 2.56

FED REGULATORY FEE..... 0.02

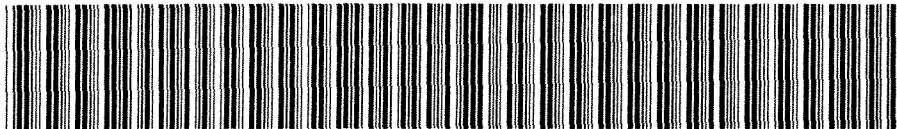
Current Charges..... 59.20**AMOUNT DUE BY 06/26/04..... 60.70****Account Detail For**

MONTHLY SERVICE 05/27-06/26 CRICKET TALK SERVICE. 39.99

MONTHLY CHARGE 05/27-06/26 REGULATORY RECOVERY... 0.45

MONTHLY CHARGE 05/27-06/26 REPLACEMENT PLAN..... 3.95

MONTHLY CHARGE 05/27-06/26 VOICE MAIL..... 3.99

Monthly Charges..... 48.38**Change My Address To:**

Name: _____

Address: _____

#

City: _____ State: _____ Zip: _____

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CERTIFICATE OF SERVICE

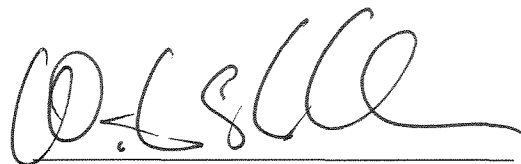
I, William S. Carnell, hereby certify that the attached Comments of Leap Wireless International, Inc. were served via First Class U.S. Mail, unless otherwise indicated, on this the 14th day of July, 2004, on the following:

Federal Communications Commission*
445 12th Street, SW
Washington, DC 20554

Patrick W. Pearlman
Deputy Consumer Advocate
The Public Service Commission of West Virginia
Consumer Advocate Division
723 Kanawha Boulevard, East
Charleston, WV 25301

David C. Bergmann
Assistant Consumers' Counsel
Ohio Consumers' Counsel
10 West Broad Street, Suite 1800
Columbus, OH 43215-3485

NASUCA
8380 Colesville Road, Suite 101
Silver Spring, MD 20910


William S. Carnell

* via electronic filing